
CHARACTERISTICS OF FOOD STAMP HOUSEHOLDS: FISCAL YEAR 1999

(Advance Report)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE

OFFICE OF ANALYSIS, NUTRITION, AND EVALUATION
JULY 2000

The FSP is the nation's largest food assistance program. In fiscal year 1999, it served an average of 18.2 million people per month. Over \$15.8 billion was paid out in food stamps that year, with an average benefit of \$72 per person.

Food stamps are made available to most low-income households with few resources to supplement their food purchases and help them maintain a healthy diet. In fiscal year 1999, food stamps were over one-fifth of the average participating household's total monthly income (cash plus food stamps). If the value of food stamps were counted in addition to cash as gross income, just under one-fifth of food stamp households would move from below to above half the poverty line (Figure 1).

I. COMPOSITION OF FOOD STAMP HOUSEHOLDS

In fiscal year 1999, the majority (55.7 percent) of food stamp households contained children (Table 1). Of these households, over two-thirds (68.5 percent) were single-parent homes, 15.1 percent were headed by married parents, and 8.9 percent of the households had no members over the age of 17. Households with children received an average monthly food stamp benefit of \$234, reflecting their relatively large average size (3.3 persons). Single-parent households (3.1 persons on average) received an average of \$229 in food stamps, and married-couple households with children (4.6 persons on average) received an average of \$274.

Households containing elderly persons represented 20.1 percent of all food stamp households. Over three-quarters of them (78.5 percent) were single-person households, which received an average monthly benefit of \$46. Households containing elderly and other persons, either elderly or non-elderly, received an average benefit of \$119.

A substantial proportion of food stamp households contained disabled persons (26.5 percent). Of these households, over half (57.2 percent) lived alone, receiving an average benefit of \$49. Households with disabled individuals and others, either disabled or non-disabled, received an average benefit of \$168.

In households without children, elderly, or disabled individuals, 91.3 percent lived alone, receiving an average benefit of \$114. Households with multiple adults received an average benefit of \$191.

II. BENEFITS AND INCOME OF FOOD STAMP HOUSEHOLDS

The average monthly food stamp benefit in fiscal year 1999 was \$162 per household. The majority (63.7 percent) of food stamp households received monthly benefits of over \$100, and 33.6 percent received over \$200 (Table 2). In fiscal year 1999, 80.6 percent of all benefits went to households with children, and 7.6 percent of all benefits went to households with elderly members (Table 1).

FIGURE 1
POVERTY STATUS OF FOOD STAMP HOUSEHOLDS
WITH AND WITHOUT FOOD STAMPS, 1999

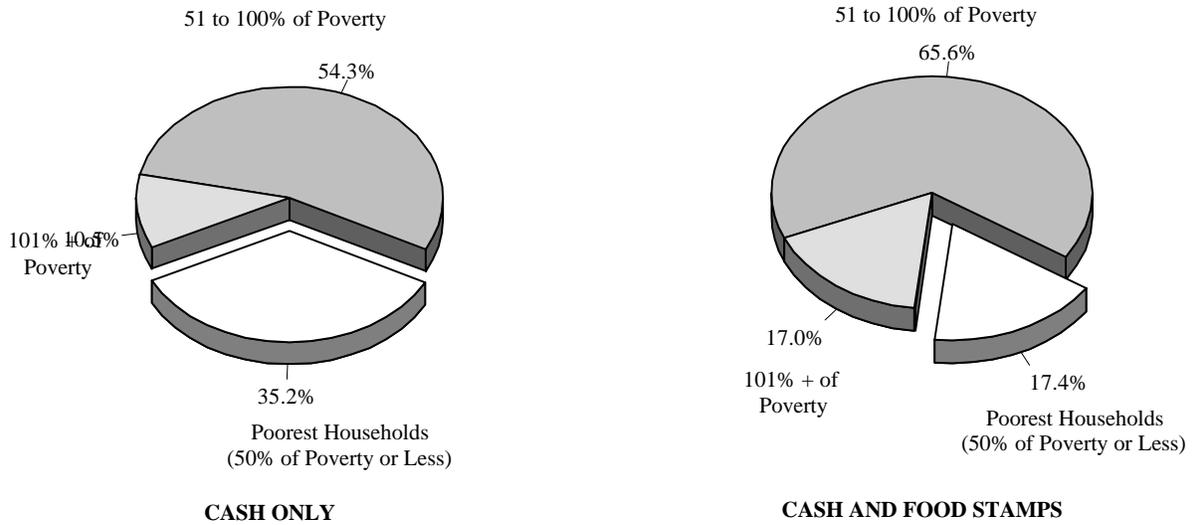
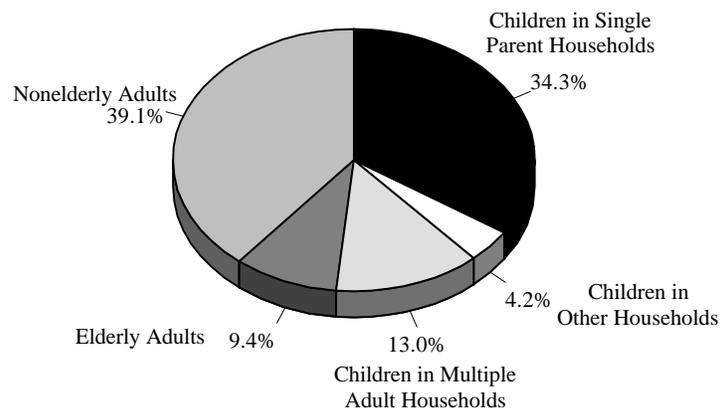


FIGURE 2
DISTRIBUTION OF FOOD STAMP PARTICIPANTS, 1999



Source: 1999 Food Stamp Quality Control sample.

The average monthly gross income of food stamp households was \$603 (Table 3). The majority of households (79.1 percent) received unearned income from one or more sources. The most common forms of unearned income were Supplemental Security Income (SSI), received by 30.2 percent; Temporary Assistance to Needy Families (TANF), received by 27.3 percent; and Social Security, received by 24.7 percent. Other sources of unearned income were General Assistance (GA), Unemployment Compensation, and other payments such as veterans' benefits and educational loans. Slightly more than one-fourth of all households (26.8 percent) had earned income. Almost a tenth (8.5 percent) had zero gross income.

III. CHARACTERISTICS OF FOOD STAMP PARTICIPANTS

In fiscal year 1999, 39.1 percent of all food stamp participants were non-elderly adults and 9.4 percent were elderly adults (age 60 or older). Slightly over half (51.5 percent) of all food stamp participants were children, most of whom lived in single-parent households (Figure 2).

Among adult participants (age 18 or older), 70.8 percent were women, and 29.0 percent were men (Table 4). Of the children participating, one-third were of preschool age (0 to 4 years), and two-thirds were of school age (5 to 17 years).

Close to a quarter (24.1 percent) of non-elderly adult participants (18 to 59 years) were disabled (Table 4). Close to a third (31.5 percent) of participating non-elderly adult males were disabled, compared to 21.1 percent of participating non-elderly adult females.

The largest proportion of food stamp participants were white, non-Hispanic (40.6 percent); over one-third were African-American, non-Hispanic (36.1 percent); and slightly less than one-fifth were Hispanic (18.1 percent). The remaining

participants were Asian, Native American, or of another race or ethnicity (Table 5).

IV. CHARACTERISTICS OF FOOD STAMP HOUSEHOLDS BY STATE

In fiscal year 1999, almost half (48.9 percent) of all food stamp households were located in eight states: California, Florida, Illinois, Michigan, New York, Ohio, Pennsylvania, and Texas (Table 6). The average monthly food stamp benefit varied by state, reflecting differences in income, expenses, household size, and composition. Average monthly benefits were largest in Alaska, Hawaii, Guam, and the Virgin Islands because the maximum allotment is set higher in those areas to accommodate higher costs of living. Within the contiguous United States, food stamp benefits were highest (greater or equal to \$195) in Arizona and Texas—two states with above-average household size. Conversely, average monthly food stamp benefits were lowest (less than \$140) in Connecticut, Kansas, Maine, Massachusetts, Ohio and Vermont—states with typically above-average gross household income and/or below-average household size.

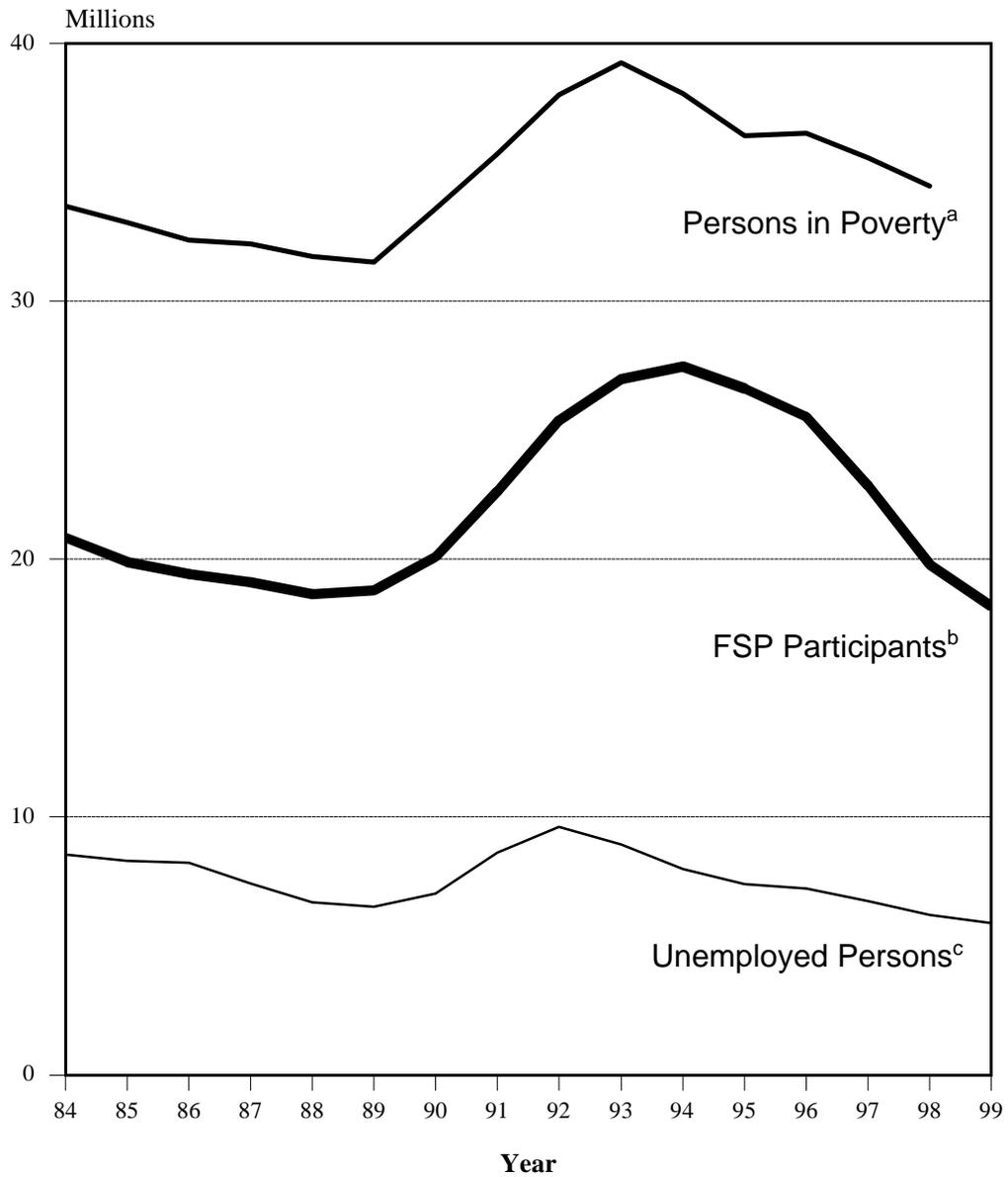
V. CHANGES OVER TIME

The number of persons participating in the FSP grew substantially from 1989 to 1994 and has declined steadily since 1994 (Figure 3). Specifically, the number of food stamp participants grew from 18.9 million persons in 1989 to a record high of 28.0 million in March 1994 and fell to 17.7 million by September 1999. This is the lowest number of participants since September 1979.

The changes in the level of participation have been accompanied by changes in the composition of the caseload (Table 7). For example, the percentage of participants who are children rose from 51.0 percent in 1996 to 52.8 percent in 1998. However, in 1999 this percentage dropped to 51.5 percent. In fact, children represent 65.5 percent of the decline in the caseload from 1998 to 1999. At the same

FIGURE 3

FOOD STAMP PROGRAM PARTICIPANTS,
UNEMPLOYED PERSONS, AND POOR PERSONS



^aAnnual values. The number of persons in poverty in Fiscal Year 1999 was not available when this report went to print. Source: Bureau of the Census, Poverty in the United States: 1998, Series P60-207.

^bAverage monthly values. Source: Food and Nutrition Service, Fiscal Years 1984-1999 FSP Participation and Issuance.

^cAverage monthly values. Source: Economic Report of the President, 2000 Table B-36.

time, the percentage of households with children has declined steadily from 62.2 percent in 1992 to 55.7 percent in 1999.¹

While the percentage of households with children is decreasing, both the percentage of households with elderly individuals and the percentage of households with disabled individuals are increasing. The proportion of households with elderly has risen from a low of 15.4 percent in 1992 to 20.1 percent in 1999. The proportion of participating households with disabled persons rose from a low of 8.9 percent in 1990 to 12.5 percent in 1994, and from 18.9 percent in 1995 to 26.5 percent in 1999.²

The proportionate increases in participation by households with disabled and elderly persons have been accompanied by similar increases in the percentage of households with SSI and Social Security (Table 8). The proportion of households with SSI increased from 26.0 percent in 1997 to 30.2 percent in 1999, and the proportion with Social Security increased from 19.3 percent in 1996 to 24.7 percent in 1999.

The percentage of households with AFDC/TANF declined from a high of 42.0 percent in 1990 to 27.3 percent in 1999. At the same time, the percentage of households with earnings increased from 19.0 percent in 1990 to 26.8 percent in 1999.

As the household composition and income sources have changed, so has the average benefit. The average benefit in nominal dollars in 1996 was \$174, which dropped to \$165 in 1998 and \$162 in 1999. During that time the maximum FSP benefit for a family of three continued to increase from \$313 to \$329.

ECONOMIC CHANGES. Changes in the economy affect participation in the FSP. For example, Figure 3 shows that the surge in FSP participation from 1989 through 1994 was associated with a worsening economy, and the drop in participation

since 1994 has accompanied an improving economy. Both the number of FSP participants and the number of employed persons are comparable to the numbers in the late 1980s.

LEGISLATIVE CHANGES. Changes in legislation also affect participation in the FSP. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (welfare reform) took effect in FY 1997. It disqualified most permanent resident aliens from participation in the FSP, placed time limits on unemployed able-bodied adults without dependents, and replaced the AFDC program with the TANF program. The Balanced Budget Act of 1997 allowed states to exempt 15 percent of the unemployed able-bodied, childless adults from the time-limits beginning in FY 1998.

Effective November 1, 1998, the Agricultural Research, Extension, and Education Reform Act restored eligibility to child, elderly, and disabled permanent resident aliens who were present in the United States when welfare reform was enacted in 1996. Additionally, it extended the exemption for refugees, asylees, and deportees from five to seven years.

VI. DESCRIPTION OF THE FOOD STAMP PROGRAM

The FSP is unique among income maintenance programs in two important ways. First, it offers assistance to nearly all financially needy households, regardless of almost any nonfinancial categorical criteria. Second, instead of cash, it provides benefits in the form of coupons or electronic benefits which can be redeemed for food in any of about 16,000 authorized stores across the nation. The cost of providing food stamps to needy persons is funded fully by the federal government. Administrative costs are shared by federal, state, and local governments.

ELIGIBILITY. To be eligible for food stamps, a household's assets, gross income, and net income,

which is based on gross income less deductions permitted under the FSP, must not exceed specified levels that vary by household size, composition, and location. Most permanent resident aliens are ineligible to join the FSP, and most able-bodied, non-working, childless adults are limited to 3 months of FSP benefits in any 36-month period.

FOOD STAMP BENEFIT COMPUTATION AND ISSUANCE. Benefits are computed by subtracting 30 percent of a household's net income from the maximum benefit amount, which is based on 100 percent of the June cost of the Thrifty Food Plan (TFP) for a family of four, adjusted for household size and location. The TFP is based on the cost of a market basket of food that provides an economical and nutritious diet. In fiscal year 1999, the maximum benefit for a family of four in the contiguous United States was \$419 per month. Program participants receive their monthly benefits through the mail, directly from the local office, or through an electronic benefit transfer (which is similar to a bank card).

VII. DATA

The estimates presented here are based on data extracted from the Food Stamp Quality Control System, which is an ongoing review of food stamp households designed to measure the accuracy with which eligibility and benefit determinations are made. All estimates are based on a full-year sample of 47,552 households.

Food and Nutrition Service administrative records indicate that the FSP served 18.2 million persons in fiscal year 1999, and food stamp households received an average benefit of \$171 per month. The figures in the attached tables indicate that there are 18.1 million participants with an average household benefit of \$162. These figures vary from the administrative figures because they are estimates from the Food Stamp Quality Control sample, which weights data by households rather

than persons or benefits. Administrative figures are based on a monthly census of actual FSP participation and benefit issuance.

NOTES

¹The average household size declined slightly, from 2.42 persons in 1998 to 2.37 persons in 1999, reflecting the faster drop in participants compared to households.

²The 1994-to-1995 increase in the proportion of households with disabled persons is due in part to a change in the definition of households with disabled persons. However, using the old definition, the proportion with disabled still increases from 12.5 percent to 13.3 percent.

Table 1 -- Selected Characteristics of Participating Food Stamp Households, 1999

Household type	Participating households		Average monthly values (dollars)			Average household size (persons)	Percent of Total Benefit Dollars
	Number (thousands)	Percent	Food stamp benefit	Gross income	Net income		
Total	7,670	100.0	162	603	338	2.4	100.0
Children	4,275	55.7	234	701	412	3.3	80.6
Single-adult households	2,928	38.2	229	641	361	3.1	54.1
Married-couple households	645	8.4	274	1027	669	4.6	14.2
Other multiple-adult households	319	4.2	274	907	598	4.4	7.0
Children only households	380	5.0	167	432	213	2.0	5.1
Other	3	0.0	280	587	200	3.1	0.1
Elderly	1,543	20.1	61	605	344	1.3	7.6
Living alone	1,212	15.8	46	551	291	1.0	4.5
Not living alone	330	4.3	119	802	536	2.5	3.2
Disabled	2,031	26.5	100	698	427	2.0	16.3
Living alone	1,162	15.1	49	549	277	1.0	4.6
Not living alone	869	11.3	168	898	626	3.3	11.7
Other	861	11.2	121	194	55	1.1	8.4
Single-person	786	10.3	114	173	44	1.0	7.2
Multiple-person	75	1.0	191	422	173	2.1	1.1

Source: 1999 Food Stamp Program Quality Control sample.

Table 2 -- Monthly Food Stamp Benefits of Participating Food Stamp Households, 1999

Monthly food stamp benefit	Participating households	
	Number (thousands)	Percent
Total	7,670	100.0
\$0-50	1,723	22.5
\$51-100	1,061	13.8
\$101-150	1,625	21.2
\$151-200	688	9.0
\$201-250	919	12.0
\$251-300	451	5.9
\$301 +	1,204	15.7

Source: 1999 Food Stamp Program Quality Control sample.

Table 3 -- Selected Economic Characteristics of Participating Food Stamp Households, 1999

Income source	Participating households		Persons in households with source		Average income (dollars)		Average food stamp benefit (dollars)	Average household size (persons)
	Number (thousands)	Percent	Number (thousands)	Percent	Gross	From source		
Total	7,670	100.0	18,149	100.0	603	(n/a)	162	2.4
Earned income	2,058	26.8	6,775	37.3	917	736	194	3.3
Wages and salaries	1,914	25.0	6,333	34.9	933	755	192	3.3
Self-employment	130	1.7	434	2.4	719	391	239	3.3
Other earned income	41	0.5	118	0.7	847	459	173	2.9
Unearned income	6,069	79.1	13,958	76.9	629	513	150	2.3
TANF	2,096	27.3	6,784	37.4	643	374	234	3.2
General Assistance	435	5.7	590	3.3	409	223	115	1.4
Supplemental Security Income	2,315	30.2	4,191	23.1	660	395	90	1.8
Social Security	1,897	24.7	3,069	16.9	668	503	74	1.6
Unemployment	115	1.5	373	2.1	790	531	191	3.2
Contribution	263	3.4	766	4.2	623	199	211	2.9
Child Support	490	6.4	1,755	9.7	783	227	232	3.6
Other unearned income	694	9.1	1,568	8.6	704	202	130	2.3
No Income	649	8.5	1,166	6.4	0	0	205	1.8

Source: 1999 Food Stamp Program Quality Control sample.

Table 4 -- Gender, Age, and Disability Status of Food Stamp Participants, 1999

Age	All participants		Female		Male	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
Total	18,149	100.0	10,878	100.0	7,226	100.0
Children (0-17)	9,354	51.5	4,654	42.8	4,676	64.7
0-4	3,025	16.7	1,527	14.0	1,494	20.7
5-17	6,329	34.9	3,127	28.7	3,183	44.0
Adults (18 or more)	8,790	48.4	6,223	57.2	2,548	35.3
18-35	3,785	20.9	2,895	26.6	881	12.2
36-59	3,305	18.2	2,111	19.4	1,185	16.4
60 or more	1,699	9.4	1,217	11.2	482	6.7
Unknown	5	0.0	1	0.0	1	0.0
Disabled Adults	1,945	10.7	1,212	11.1	732	10.1
18-59	1,707	9.4	1,055	9.7	651	9.0
60 or more	238	1.3	157	1.4	81	1.1

Source: 1999 Food Stamp Program Quality Control sample.

Table 5 -- Race/Ethnicity of Food Stamp Participants, 1999

Race	Participants	
	Number (thousands)	Percent
Total	18,149	100.0
White, Non-Hispanic	7,363	40.6
African-American, Non-Hispanic	6,543	36.1
Hispanic	3,279	18.1
Asian	564	3.1
Native American	281	1.5
Other	119	0.7

Source: 1999 Food Stamp Program Quality Control sample.

Table 6 -- Selected Characteristics of Participating Food Stamp Households by State, 1999

State	Total (thousands)	Percent of all households	Average monthly amount					Average house- hold size (persons)
			Food stamp benefit (dollars)	Gross income (dollars)	Net income (dollars)	Total deduction (dollars)	Countable assets (dollars)	
Total	7,670	100.0	162	603	338	299	142	2.4
Alabama	159	2.1	182	599	335	305	110	2.6
Alaska	14	0.2	267	951	587	418	188	2.9
Arizona	95	1.2	205	576	317	297	104	2.8
Arkansas	100	1.3	173	594	360	277	138	2.6
California	746	9.7	181	631	400	261	187	2.8
Colorado	76	1.0	153	600	332	304	226	2.2
Connecticut	88	1.1	138	587	336	294	145	2.1
Delaware	14	0.2	182	580	295	327	74	2.5
Dist. of Col.	37	0.5	181	402	223	219	17	2.2
Florida	427	5.6	144	573	304	301	241	2.1
Georgia	251	3.3	171	590	342	283	118	2.5
Guam	6	0.1	422	599	262	402	50	3.2
Hawaii	56	0.7	275	690	388	327	293	2.3
Idaho	23	0.3	148	730	452	331	192	2.6
Illinois	352	4.6	162	563	311	292	117	2.3
Indiana	126	1.6	167	586	333	294	211	2.4
Iowa	54	0.7	146	620	370	277	269	2.3
Kansas	52	0.7	138	640	377	292	153	2.3
Kentucky	159	2.1	152	589	376	241	189	2.4
Louisiana	198	2.6	191	559	316	277	111	2.6
Maine	54	0.7	125	642	347	321	136	2.0
Maryland	117	1.5	174	537	281	297	74	2.3
Massachusetts	122	1.6	135	646	356	311	135	2.1
Michigan	297	3.9	156	648	331	349	69	2.3
Minnesota	94	1.2	151	463	274	295	230	2.0
Mississippi	115	1.5	158	615	396	242	132	2.5
Missouri	172	2.2	159	591	342	286	134	2.4
Montana	25	0.3	163	618	332	331	255	2.4
Nebraska	38	0.5	149	654	381	300	160	2.4
Nevada	29	0.4	153	564	279	324	80	2.1
New Hampshire	18	0.2	142	671	361	339	225	2.2
New Jersey	170	2.2	169	563	267	327	47	2.2
New Mexico	66	0.9	169	654	406	272	125	2.7
New York	749	9.8	153	642	266	412	30	2.1
North Carolina	215	2.8	152	606	365	267	178	2.4
North Dakota	14	0.2	146	668	387	314	413	2.4
Ohio	293	3.8	132	619	369	270	148	2.2
Oklahoma	113	1.5	156	595	368	264	100	2.4
Oregon	107	1.4	141	579	322	302	298	2.1
Pennsylvania	373	4.9	142	615	359	284	186	2.2
Rhode Island	34	0.4	142	632	371	284	186	2.2
South Carolina	127	1.6	158	599	369	257	116	2.4
South Dakota	16	0.2	185	615	323	335	235	2.6
Tennessee	220	2.9	142	579	351	258	202	2.2
Texas	515	6.7	195	571	326	279	87	2.7
Utah	35	0.5	186	638	354	322	167	2.7
Vermont	21	0.3	133	647	353	335	187	2.1
Virgin Islands	5	0.1	312	481	285	247	114	2.9
Virginia	159	2.1	141	607	364	268	223	2.2
Washington	137	1.8	149	635	346	312	129	2.3
West Virginia	103	1.3	164	569	315	293	153	2.3
Wisconsin	72	0.9	145	696	434	300	172	2.4
Wyoming	9	0.1	161	667	391	307	309	2.5

Source: 1999 Food Stamp Program Quality Control sample.

**Table 7 -- Selected Characteristics of Food Stamp Households Over Time
Fiscal Year 1989-Fiscal Year 1999**

Fiscal Year	Total		Children		Elderly		Disabled	
	Participants (thousands)	Households (thousands)	Children (percent of all participants)	Households with children (percent of all)	Elderly (percent of all participants)	Households with elderly (percent of all)	Disabled (percent of all participants)	Households with disabled (percent of all)
1999	18,149	7,670	51.5	55.7	9.4	20.1	12.3	26.5
1998	19,969	8,246	52.8	58.3	8.2	18.2	10.8	24.4
1997	23,117	9,452	51.4	58.3	7.9	17.6	9.9	22.3
1996	25,926	10,552	51.0	59.5	7.3	16.2	8.8	20.2
1995	26,955	10,883	51.5	59.7	7.1	16.0	8.2	18.9 ^b
1994	28,009	11,091	51.4	61.1	7.0	15.8	5.5	12.5
1993	27,595	10,791	51.5	62.1	6.8	15.5	4.7	10.7
1992	25,775	10,059	51.9	62.2	6.6	15.4	4.1	9.5
1991	22,988	8,863	52.1	60.4	7.0	16.5	3.8	9.0
1990	20,440	7,811	49.6	60.3	7.7	18.1	3.7	8.9
1989 ^a	18,956	7,217	49.8	60.4	8.2	19.3	3.8	9.1

^aFull year analysis files were not developed for the years prior to 1989.

^bBeginning In 1995, disabled households are defined as households with at least one member under age 65 who received SSI, or at least one member age 18 to 61 who received Social Security, veterans benefits, or other government benefits as a result of a disability. For years prior to 1995, disabled households are defined as households with SSI but no members over age 59. The substantial increase in the percentage of households with a disabled member between 1994 and 1995 is due in part to the change in the definition of disabled households. Using the previous definition, 13.3 percent of households included a disabled person in fiscal year 1995.

Source: Food Stamp Quality Control samples.

Table 8 -- Sources of Income Among Food Stamp Households Over Time Fiscal Year 1989-Fiscal Year 1999

Fiscal Year	Earned Income		AFDC/TANF		GA		SSI		Social Security		No Income	
	Number (thousands)	Percent										
1999	2,058	26.8	2,096	27.3	435	5.7	2,315	30.2	1,897	24.7	649	8.5
1998	2,167	26.3	2,591	31.4	486	5.9	2,263	27.4	1,924	23.3	724	8.8
1997	2,284	24.2	3,270	34.6	588	6.2	2,460	26.0	1,999	21.1	868	9.2
1996	2,379	22.5	3,866	36.6	677	6.4	2,538	24.1	2,034	19.3	1,078	10.2
1995	2,329	21.4	4,171	38.3	786	7.2	2,461	22.6	2,019	18.6	1,053	9.7
1994	2,374	21.4	4,225	38.1	769	6.9	2,371	21.4	1,998	18.0	1,132	10.2
1993	2,226	20.6	4,253	39.4	809	7.5	2,097	19.4	1,908	17.7	1,047	9.7
1992	2,035	20.2	3,972	39.5	871	8.7	1,847	18.4	1,748	17.4	963	9.6
1991	1,757	19.8	3,590	40.5	916	10.3	1,646	18.6	1,585	17.9	733	8.3
1990	1,484	19.0	3,278	42.0	830	10.6	1,530	19.6	1,483	19.0	577	7.4
1989 ^a	1,416	19.6	3,023	41.9	727	10.1	1,489	20.6	1,448	20.1	515	7.1

^aFull year analysis files were not developed for the years prior to 1989.

Source: Food Stamp Quality Control samples.